

Message Text

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ACTION EB-07

INFO OCT-01 AF-10 IO-13 ISO-00 FEA-01 AGRE-00 CEA-01
CIAE-00 COME-00 DODE-00 FRB-03 H-01 INR-07 INT-05
L-03 LAB-04 NSAE-00 NSC-05 PA-01 EPG-02 AID-05
SS-15 STR-04 ITC-01 TRSE-00 USIA-06 PRS-01 SP-02
OMB-01 /099 W
-----210351Z 103861 /12

R 201450Z MAY 77
FM AMEMBASSY PRETORIA
TO SECSTATE WASHDC 7613
INFO AMCONSUL CAPE TOWN
AMCONSUL JOHANNESBURG
USMISSION GENEVA

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CAPE TOWN FOR EMBASSY

E.O. 11652: N/A
TAGS: ETRD, SF
SUBJECT: SOUTH AFRICA IMPORT SURCHARGE

REF: STATE 108950

1. EMBOFF CALLED ON O.J. KOK, HEAD OF DIVISION OF MULTILATERAL ECONOMIC AND TRADE ORGANIZATION AFFAIRS, IN DEPT OF COMMERCE ON MAY 20 TO DISCUSS SA IMPORT SURCHARGE. NOTING HE WAS SPEAKING ON INSTRUCTIONS OF USG, EMBOFF MADE POINTS GIVEN IN LAST PARA OF REFTEL RE USG CONCERN OF IMPOSITION OF SURCHARGE AND ITS HOPE THAT SURCHARGE WOULD BE REMOVED AS EARLY AS POSSIBLE IN THIS FISCAL YEAR. EMBOFF ALSO CITED US RICE IMPORTS AS AREA WHERE IMPORT SURCHARGE WAS CREATING TRADE DISTORTIONS BY AFFECTING MILLED RICE BUT NOT UNMILLED RICE.

2. KOK STATED USG VIEWS WOULD BE DISSEMINATED IN SAG AND CITED
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MINISTER OF FINANCE HORWOOD'S STATEMENT IN BUDGET SPEECH THAT SURCHARGE WAS TEMPORARY MEASURE FOR REVENUE PURPOSES AND IT WAS SAG INTENTION TO REDUCE OR REMOVE IT AS SOON AS POSSIBLE, "MORE PARTICULARLY WHEN REVENUE SOURCES CAN BE AUGMENTED BY REVISED OR BROADER SALES TAX" (NOW BEING FORMULATED BUT NOT PROJECTED TO COME INTO EFFECT BEFORE END OF FY 77/78).

3. KOK STATED THAT SAG DOES NOT PLAN TO FORMALLY NOTIFY GATT OF SURCHARGE AS GATT BINDINGS ARE NOT AFFECTED. SAG HOWEVER REMAINS READY TO CONSULT WITH ITS MAJOR TRADING PARTNERS ON BILATERAL BASIS ON PROBLEMS ARISING FROM SURCHARGE.

4. AS REGARDS RICE, KOK NOTED THAT ONLY CATEGORIES WHICH WERE EXEMPTED FROM SURCHARGE (BESIDES GOVERNMENT IMPORTS AND PETROLEUM PRODUCTS) WERE THOSE ON WHICH THERE WAS A GATT BINDING EITHER IN EFFECT OR UNDER NEGOTIATION. THUS MAJORITY OF FOOD IMPORTS ARE COVERED BY SURCHARGE. SAG PREPARED TO CONSIDER AREAS IN WHICH DIVISION BETWEEN BOUND AND UNBOUND PRODUCTS CREATED DISTORTIONS OR HARDSHIP BUT SAG WOULD NATURALLY BE RELUCTANT TO OPEN DOOR TO LARGE NUMBER OF REQUESTS FOR EXEMPTIONS ON BASIS OTHER THAN GATT BINDINGS.

5. RE QUESTION IN NEXT-TO-LAST PARAGRAPH OF REFTEL, PRETORIA A-46 OF APRIL 5 CONTAINED COMPLETE LIST OF EXEMPTIONS TO IMPORT SURCHARGE. ONLY EXEMPTIONS UNDER BTN CATEGORY 10 ARE SUB-CATEGORIES 10.06.20, 10.07.20 AND 10.07.40. REFTEL LISTS BTN NO. 10.06.90.10 AS MILLED RICE WHEREAS LISTINGS AVAILABLE TO EMBASSY SHOW BTN 10.06.80 AS MILLED OR SEMI-MILLED RICE AND BTN 10.06.90.10 AS BROKEN RICE. BOTH CATEGORIES, HOWEVER, COVERED BY SURCHARGE.NELSON

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Message Attributes

Automatic Decaptioning: X
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Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CUSTOMS DUTIES, IMPORTS, RICE
Control Number: n/a
Copy: SINGLE
Sent Date: 20-May-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977PRETOR02499
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770181-0362
Format: TEL
From: PRETORIA
Handling Restrictions: n/a
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ISecure: 1
Legacy Key: link1977/newtext/t19770535/aaaabeddd.tel
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Litigation Code IDs:
Litigation Codes:
Litigation History:
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TAGS: ETRD, SF
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